DEVELOPMENT CHALLENGES FOR THE 1990s

An Anniversary Issue to Commemorate 40 Years of Multilateral Technical Co-operation for Development within the United Nations System

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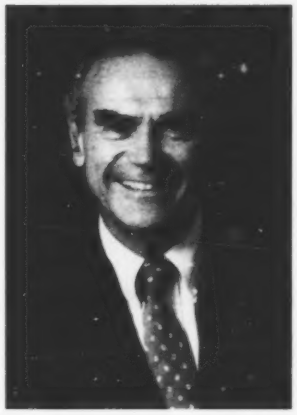


Development Challenges for the 1990s

An exciting global agenda is already shaping up for the 1990s. Topping the agenda is the democratic process that has already swept many lands. Closely inter-linked are a number of other issues which are increasingly commanding the attention of national and international policy makers. These include: reduction in military expenditures and diversion of resources to social and economic change; investing in people and their well-being and making them the central focus of all development efforts; ensuring better environmental safeguards so as to make development more sustainable for future generations; and constructing a new and more responsive structure of global co-operation in the post-cold war era.

It is within this context that UNDP invited some of the leading thinkers of our time to express their views on development challenges for the 1990s. The purpose is both to commemorate the 40th Anniversary of UNDP and to bring together the wisdom and vision of international opinion leaders regarding new opportunities for mankind in the decade ahead. The result is this Anniversary Issue which is being released on October 24, 1990 to mark United Nations Day as well as UNDP's 40th birthday.

I would like to thank all the contributors most sincerely for sharing their thoughts with all of us at this significant juncture in the history of the United Nations and, indeed, the history of the world.

Democratic change is certainly leading the way into the next decade. People are beginning to take charge of their own political and economic destinies. This is a process that must be continued and strengthened. What it implies for many developing countries is both a reform of their political systems and an opening up of their markets to give greater scope for individual creativity and enterprise.

The new wave of human freedom has also reinforced the concept of placing people at the very core of all developmental efforts. Human beings are being regarded as both the means and the end of economic development. Many countries are beginning to integrate their social goals into the framework of their economic growth. In the 1990s, the developing countries face a twin challenge. They must accelerate their growth rates since there can be no sustainable human development without growth. But they must also ensure a better linkage between growth and human development through enlightened policies for more equitable distribution of economic opportunities.

Human development is a process of enlarging people's range of choices. It is important to ensure at the same time that the options for the present

generation are increased without mortgaging the choices of future generations. In the 1990s, environmental issues will receive increasing attention. We must move to incorporate the environmental dimension into economic growth and human development strategies. It will be necessary to ensure that there is adequate sensitivity to the differing environmental priorities of developing countries and industrialized countries. There also must be a realization that the future state of our planet rests on the willingness of the richer nations to provide the bulk of additional resources needed to promote environmentally sound development.

It goes without saying that the prospects for sustainable development in the 1990s will be considerably enhanced if military expenditures are significantly reduced—both at the superpower level and in the developing world. While there has been some reduction in global military expenditures in the last two years, future prospects are clouded at present by the crisis in the Middle East. It is still possible that a significant peace dividend could materialize in the 1990s if disarmament goals are pursued vigorously by all nations.

A few months ago prospects for peace never looked brighter. If, as we all hope, we can regain this momentum it is imperative that resources released from armament expenditures are primarily diverted to national development and to strengthening global co-operation.

The existing framework of global co-operation will have to be re-examined and re-shaped to fit the requirements of the next decade. The first priority is to greatly increase the net transfer of resources to the developing countries. External debts need to be restructured to reduce debt servicing burdens. Resources, thus released, must be utilized intelligently by the heavily indebted developing countries to revive internal investment and growth rates.

Protectionist barriers must be eliminated or significantly lowered. A successful conclusion to the Uruguay Round would ensure freer trade and widening markets for developing countries in the 1990s. Overall, it should be our objective to make the environment for international trade more favourable in order to accelerate economic growth and to improve human development levels in the decade ahead.

These five areas—democratic transition, human development, sustainable environment, disarmament, and new modes of global co-operation—constitute the principal development challenges for the 1990s. The coming decade offers a new chance to strengthen and to restructure United Nations institutions so that they can best respond to the challenges ahead. It also offers many opportunities to shape a new world order. I am confident that we can meet those challenges with vigour and success.

MAHBUB UL HAQ
Special Adviser to
the Administrator of
UNDP

Human Development: Old Myths and New Insights

Concern with human development seems to be moving to centre stage in the 1990s. For too long, the recurrent question was: how much is a nation producing? Increasingly, the question is now being asked: how are its people faring? The principal reason for this is the growing recognition that the real objective of development is to enlarge people's options. Income is only one of those options - and an extremely important one - but it is not the sum-total of human existence. Health, education, physical environment and freedom — to name a few other human choices — may be just as important as income.

The Human Development Report 1990, published by UNDP this summer,* addresses some of these concerns and explores the relationship between economic growth and human development. It challenges some of the conventional wisdom, explodes some of the old myths and reaches some important policy conclusions which have a significant implication for development strategies for the next decade.

First, it is wrong to suggest that the development process has failed in most developing countries in the last three decades. Judged by real indicators of human development, it has succeeded. Average life expectancy has increased by 16 years, adult literacy by 40%, per capita nutritional levels by over 20%, and child mortality rates have been halved during this period. In fact, developing countries have achieved in the last 30 years the kind of real human progress that it took industrial countries nearly a century to accomplish. While the income gap between north and south is still very large — with average income of the south being 6% of the north — the human gaps have been closing fast: average life expectancy in the south is by now 80% of the northern average, adult literacy 66% and nutrition 85%.

It is true that the past record of the developing world is uneven, as between various regions and countries and even within countries. It is also true that there is still a large unfinished agenda of human development — with one-fourth of the people in developing countries still deprived of basic human necessities, minimum income level and decent social services. But the overall policy conclusion is that the development process does work, that international development co-operation has made a difference, that the remaining agenda of human development is manageable in the 1990s if development priorities are properly chosen. It is certainly a message of hope, though not of complacency.

Second, it is wrong to suggest that economic growth is unnecessary for human development. In fact, no sustained improvement in human well-being is possible without growth. But it is even more wrong to suggest that

* *Human Development Report 1990. Published on behalf of the United Nations Development Programme by Oxford University Press, New York, 1990.*

high economic growth rates will automatically translate into higher levels of human development. They may or they may not. It all depends on the policy choices the countries make. In fact, the real world offers too many uncomfortable examples of a wide divergence between income and human development levels. Adult literacy in Saudi Arabia is lower than in Sri Lanka despite the fact that its per capita income is 15 times higher. Child mortality in Jamaica is one-fourth that in Brazil, despite the fact that Jamaica's per capita income is one-half of Brazil's. Life expectancy in Costa Rica is 75 years at a per capita income of US$1610 while it is only 58 years in Oman with a per capita income of $5810.

Why such wide divergences between income and human development levels? The explanation lies in how equitably or inequitably income, physical assets, financial credit, social services and job opportunities are distributed in a society. If a better linkage is to be created between income and human development levels, it is mandatory to adopt policies which distribute these economic assets and opportunities more equitably.

Third, it is conceptually and practically wrong to regard poverty alleviation as a goal distinct from human development. Most of the prevailing poverty is explained away by inadequate access to income, assets, credit, social services and job opportunities. The only long-term remedy is to invest in the poor people, particularly in their education and training, and to bring them back into the mainstream of development. Poverty should not be regarded as a residual of economic growth, to be treated separately without modifying the growth strategies themselves. Such an approach is inconsistent with human development strategies which are focussed on investment in all the people and on their full integration into the mainstream of human well-being.

Fourth, it is wrong to suggest that developing countries do not have sufficient resources to take care of their human development goals. In reality, considerable potential exists for restructuring present priorities in their national budgets and in foreign assistance allocations. Many poor countries are presently spending two to three times more on their military than on the education and health of their people. Overall, third world military spending has been increasing by $10-15 billion a year, which illustrates the scope for diversion of resources if new concepts of security are evolved in the 1990s. Moreover, there is considerable scope for saving in the case of inefficient spending on parastatals, subsidies to the richer sections of society and inappropriate priorities within the development budgets, including the social sectors.

In case of foreign assistance, the allocation for education and health has declined from 17% to 10% over the last decade: even a restoration of the previous priority for social sectors will yield $5 billion a year more for direct human investment. Considerable scope also exists for internal and external debt

"Most budgets can be balanced without unbalancing the lives of future generations."

restructuring. Thus, the potential for restructuring existing priorities is enormous. That is why we must seriously question the human and social costs of structural adjustment programmes.

Obviously, most budgets can be balanced without unbalancing the lives of future generations. And that is why the policy conditionality of aid donors must be re-examined: they must insist that human investment will be the last item to be touched in a budget when all other options have been explored and exhausted.

Fifth, it is wrong to pretend that markets alone can deliver balanced patterns of economic growth and human development. There must be a judicious mix of market efficiency and social compassion. Even in the free-enterprise industrialized nations, 15-20% of GNP is presently being recycled through the budgets to support a social safety net, through unemployment and welfare benefits. In developing countries, where income distribution is much worse and social services more inadequate than in industrial countries, there is a greater need for a careful balance between private and public sector roles. The present situation is fairly topsy-turvy in many developing countries. Public sectors are intervening inefficiently in productive processes in agriculture and industry, where they hardly belong, and spending inadequately (3-4% of GNP) on social services which should have been their primary responsibility. A reversal of this situation is called for. Also, it is necessary that in periods of rapid growth or societal transformation, existing social safety nets are not seriously eroded: otherwise, there may be serious political upheavals which disrupt the development process — as seems to have happened in China and Sri Lanka in the 1980s.

These are some of the new insights, questioning conventional wisdom. The real challenge now is to ensure that human development is at the forefront of growth strategies in the decade ahead. For this, a four-point agenda is suggested: persuading the developing countries to prepare their own human development goals for the 1990s and to integrate these goals in their overall growth models and investment budgets; assisting the developing countries to collect better data on human and social indicators and to undertake more professional analysis regarding the link between their economic growth and human development; analysing the impact of specific projects and programmes on people and their welfare, not only on production; and incorporating human development concerns in aid allocations and policy conditionality.

The 1990s offer an exciting challenge to move from new ideas to concrete action and to treat human beings, once again, as both the means and the end of all development.

JAN PRONK
Minister for Development Co-operation, Netherlands

The Management of Interdependence

We are at the beginning of the last decade of the twentieth century. So it is natural to take stock, to attempt to draw the lessons of the past and apply them in a coherent manner in the future.

We used to be more optimistic; we often thought our actions were based on rational certainties. Today, I'm afraid, we have reached an era of doubt: we are sadder and wiser as a result of misgivings and failure.

The results so far have not been very impressive. One billion people live in absolute poverty; 900 million can neither read nor write; twice as many have no access to safe drinking water. Malnutrition, especially of children, and mortality among young mothers, are still unacceptably high. We have to ask ourselves whether we might not have been mistaken; the answers we thought we had found were, to say the least, inadequate.

This feeling of uncertainty is compounded by the events which have so dramatically modified the relationship between East and West. We seem to have reached the end of an ideological era in the East. And in the West too we may witness a similar evolution; in this case the end of the ideological concept of neo-realism — which embraced a quasi-religious faith in market forces and which accepted inequality as a necessary condition for growth.

Inequality does not lead to growth; it leads to poverty. And while it is not easy to eliminate inequality we should try to ensure that the process of development does at least attempt to reduce it. Development co-operation should try to prevent the imbalance of power from becoming even more one-sided.

In today's interdependent world there is perhaps less a need for a new international economic order than for a strengthened 'Management of Interdependence'. This will require a stronger emphasis on policy, less on institutions; a stronger focus on differentiation within and between countries; more attention on the private sector, less on governments; and finally a clearer link between the macro and the micro, between growth, distribution and sustainable welfare.

A strong international public sector is what we need today, one which can, where necessary, correct the international market process and prevent an uncontrolled concentration of economic power. It should also act against the degradation of the environment, ensure the equitable distribution of resources — and provide a minimum international social protection against poverty. This international public sector would operate within a mixed international economic order and offer an international state of social protection based on principles of international law.

"Human development must aim at development of, for and by people".

But this macro-level approach also requires a strong complementary link to the micro level. And this is where the concept of Human Development comes in. 'Development' has a bad name nowadays among those who have been left behind in the development process — people interested in the environment, women, and all those involved in the struggle against poverty and exploitation.

So Human Development will have to be different. It will have to be much more than 'Adjustment with a human face', more than the mere satisfaction of Basic Needs with its emphasis on consumption. It must, as the Human Development Report puts it, be a process which enables people to create space for themselves, a process of enlarging people's choices without encroaching on the space of others, or upon that of future generations.

Human Development consists primarily in the strengthening of fundamental sectors like education, health and employment. The aim should be to invest in people — both to improve their productivity and to enable them to participate in society and increase their 'space' within it. This in itself will lead to further participation within, and democratization of, the society to which they belong.

Human Development must aim at development of, for, and by people. To invest in Human Development contributes to the development of people. To respond to Basic Human Needs is development for people. To emphasize participation and democratization allows development by people. This would be development for women, children, indigenous peoples, ethnic minorities, refugees, displaced persons — for all those who are victims of the prevailing dualism of society in the developing world.

SHRIDATH RAMPHAL
Former Secretary-General, Commonwealth Secretariat

Ending the Scourge of Poverty

When the United Nations Charter promised "peace and security" in 1945, it had in mind freedom from the scourge of war - freedom from insecurity in an environment not threatening to life and limb. But there is another scourge that is not different for its victims: the scourge of poverty. Today, mainly due to poverty some 70 million children die over each 5 year period before reaching their fifth birthday - almost twice the number, military and civilians together, that died in the 5 years of World War II. And, as with war, poverty has its victims among those whose lives are forever blighted by its horrors: the maimed, the under-nourished, the diseased, the illiterate, the hungry.

Our human society inflicts this casualty rate and these scars every day on more than 1 billion of the world's poorest - the absolute poor, living (if it can be called living) on the equivalent of less than US$1 a day. For them, it is always war-time. And their numbers increase as the scourge of poverty persists.

The absolute poor are 1 in every 5 people on our planet. Were they 1 in every 5 members of our family, or 1 in every 5 of our neighbourhood, our consciences would rebel against such inhumanities. And, yet, they are members of our human family, members of our human neighbourhood. They are part of our inseparable humanity. Their "otherness" is no longer credible as our communications revolution brings their appalling condition into our homes to shame us. Their remoteness no longer separates us from their misery as the whole planet shrinks before the common dangers to our eco-system. Their fate is no longer theirs alone as economy and ecology become more visibly entwined. Yet we persist with images of separate worlds; with the pursuit of greed and the accumulation of power as people and as nations. We invent reasons why we are rich and they are poor; ignoring that, sometimes, some are poor because others are rich.

The world's population was 950 million in 1800; it was 1.6 billion in 1900; it will be over 6 billion in 2000 in 10 years time. We already add a Bangladesh (100 million) every year; most of the newcomers are poor, desperately poor. We face an explosion of poverty; and much of it will be in unmanageable urban centres where the weakest will be the first victims. In a Mexico city of 24 million none will suffer more than tomorrow's children. More than 30 million children worldwide already know no home but the street. We are condemning many millions more to life as primitives at the centre of mega-cities.

And now women are at poverty's epi-centre as structural adjustment programmes designed to achieve economic recovery bear down with ferocity on them. As social programmes are cut, food subsidies withdrawn, real wages fall (for those who earn at all) the pressure impacts unevenly on women, extending

"We invent reasons why we are rich and they are poor".

their working day which is already, for some, as long as 16 hours. Whole families inevitably suffer because of the central role of women as guardians of health, education and welfare. In the result, the policies themselves fail — but by then the war of poverty has taken its toll. For these women, for their children and their families, there is neither peace nor security.

For all our economic genius, for all our science and technology, poverty escalates and threatens to overwhelm us, wherever we are. We have at least learnt that there are no sanctuaries on earth from disease, from drug abuse, from terrorism, from the hopelessness that drives people to despair and despairing action; but, most of all, no sanctuaries from ourselves - from our consciences, our inescapable humanism.

"Am I not a man and a brother" was the rallying cry of the anti-slavery movement a century and a half ago. It is a cry that must be raised again for those enslaved by poverty — a cry that must be raised at international and at national levels; and, yes, in poor countries and in rich ones. We rise up worldwide for peace. When will we rise up for that peace which only the ending of dire poverty can bring? When will we be true to our highest instincts and promise "peace and security" to the world's poor - and keep that promise?

In this 40th anniversary year of UNDP, can we not make a start by giving the promise of the United Nations Charter a reach beyond the scourge of war - and commit ourselves, in this time beyond the post-war era, to ending the scourge of poverty?

ROBERT S. McNAMARA
Former President,
World Bank

The Human Development of Africa

Africa is a continent in crisis. In 1983 the Economic Commission for Africa reported that 'the picture that emerges from the analysis of the perspective of the African region by the year 2008 is almost a nightmare'. Seven years have elapsed since that report was published. What has happened in the intervening period? Put very bluntly, the situation has worsened.

The 1980s were extremely difficult years for Africa, poverty deepened and social advance was reversed in most countries. And there is little reason to believe that current development programmes will reverse the trends. The situation in five years from now is likely to be worse, not better.

Yet within this overall sombre picture there are some bright spots. Policy reforms have been adopted by an increasingly large number of countries and there are some early signs of economic recovery. Equally important, there is a new wind of political change blowing in many parts of Africa — a recognition that the primary responsibility for Africa's development rests with Africa's own people and their leaders. But this is also precisely the time when Africa needs, more than ever, external support — both financial and political.

The development of Africa is a long-term process which requires sustained efforts over many years. It must be an endogenous process, responsive to national needs and aspirations, carried out under national leadership and following the priorities set out in long-term development programmes which should be prepared by each country and which should establish clear objectives for the major elements of economic and social advance.

But this must be a human-centered process. People are both the ends and means of development. Therefore achievement of food security and assurance of universal access to health, education and employment opportunities must be the objects of the process.

The achievement of human-centered development goals will require, for many nations, reducing population growth rates and protecting the physical environment through shifts to sustainable agricultural technology.

The advancement of human development will not occur, however, unless production growth is restored. In many cases that will require fundamental policy reforms and adjustment, including increase in domestic savings and increased efficiency in the use of resources.

Additional financial flows will also be critical. Special efforts by donors will be needed during the 1990s to mobilize these resources. And these should include additional measures to reduce substantially the currently scheduled

"Africa needs the help and attention of all of us and it needs it now".

levels of debt service. Debt relief must receive the immediate attention of the donor community.

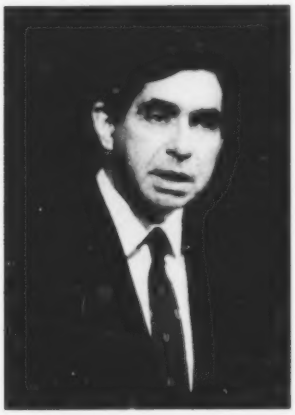
Africa also needs better governance. There is a clear demand for measures to ensure greater accountability, transparency, and popular participation in public affairs. This will help to both shrink corruption and reduce wasteful spending. And this movement towards better governance in African nations should be complemented by better governance at the international level.

There have been a number of proposals from industrialized countries and international agencies to sponsor action in key areas. These include a programme for human resource development sponsored by the Nordic countries and support from UNDP for the development of long-term strategies by individual African countries.

Radical action is certainly needed. Africa's future is at stake. The establishment of a Global Coalition, proposed at the Maastricht Conference on Africa earlier this year, to foster and monitor the action required, would be a concrete demonstration of a shared determination to make the future more secure. Africa needs the help and attention of all of us. And it needs it now.

The greatest risk to Africa's future is that there will be a loss of hope. However bleak the situation might appear, it is largely of human origin and can yield to human remedy. How African leaders and the rest of the international community respond to the challenge we face will reveal much about the human prospect over the remainder of this century and the beginning of the next one.

OSCAR ARIAS SANCHEZ
Former President of Costa Rica



The Peace Process in the Third World

We are today at the threshold of a new era, when peace seems to be at hand. The Cold War has ended, and deep military cuts are being negotiated between the superpowers. Yet, a troubling element remains: the absence of the Third World in the arms reduction conferences.

The peace process in the Third World is one of the main concerns of this decade. It is at the core of the new world that must be constructed for the future: a world of co-operation and solidarity among nations and peoples that calls for an end to the poverty condemning most countries to underdevelopment.

There, where destitution is most excruciating, the story of military spending is one of great tragedy. In the last decades, military expenditures by developing countries have increased three times as fast as those of industrial countries. In many of our nations, hundreds of times more resources are devoted to the military than to education and health combined. In Iraq, for example, the military expenditures in 1986 were 711 times higher than those for health and education. The human cost of such waste is too high; its imbalance is always at the expense of the essential needs of the people.

Since the end of the Second World War, the Third World has endured endless conflicts. During the last four and a half decades, it has suffered the most from the continuation of the Cold War fought by proxy on its soil. During this period, over 200 military conflicts have been fought in developing countries. Millions upon millions of human beings have died. A whole new culture has emerged between the superpowers for establishing military bases, defense support systems, and shipment of sophisticated arms.

But change is possible. Central America is an example. Only four years ago that region was at the brink of total war and self-destruction. Even Costa Rica — the peaceable country that had abolished its army in 1948 — was bound to be immersed in conflicts of which it was not part. The region's internal disputes were reaching dangerous proportions, and were at the point of becoming a generalized war.

In 1987 I proposed a peace plan for Central America. We then started to work toward the achievement of peace in our region. We decided to work together, in our own way, and with our own means, following a Central American path. We decided that it was time for dialogue to prevail over violence.

Today Central America is a better place in which to live. A few conflicts remain, but the fear of a generalized war is no more. Our peoples have freely

"The story of military spending is one of great tragedy".

elected their own governments, and we are ready to take new steps in our struggle for peace. We are now ready to start building a Central America that some day will be able to sustain just and decent standards of development and living for its people.

Peace is possible in the Third World. Our nations can build a new peaceful future, through the reconciliation of parties in conflict; the investment of our resources in health and education; and the opening of opportunities for the betterment of our peoples. Today, the countries of the Third World have an unprecedented chance to start building the free societies that can bring the levels of development able to sustain their peoples with dignity.

Now that the Cold War has ended, peace in the Third World can also enter a more prolific era. The developing world can profit from the new trends to put an end to internal and international conflicts in the South. Just as the Cold War was fought by proxy on Third World soil, so operations for peace between the superpowers and solidarity between the former enemies of East and West must also permeate the Third World.

New opportunities must be sought. The resources that were devoted to arms expenditures must now be used in achieving higher levels of development. We must now build societies where the benefits of freedom and development reach all levels of our populations. As never before, the developing world has a chance to start building a future of prosperity. We must take that chance.

GRO HARLEM BRUNDTLAND
Former Prime Minister of Norway

Humankind's Common Future

"The Earth is one but the world is not". These were the first nine words of the report of the World Commission on Environment and Development, "Our Common Future". They illustrate how closely we share our most urgent problems - yet we have not united in solving them.

The threats to our global environment have become even more alarming since the World Commission presented its report in 1987. The pace of deforestation, soil erosion and loss of species is accelerating. We are receiving accumulating evidence of global climate change.

We are also losing ground in our efforts to promote economic and social development, particularly in the third world. The efforts to combat poverty and improve living conditions have gone backwards rather than forwards. The tragic reversal in the flow of world financial resources, which now goes from the poor to the rich, continues unabated, driven by the debt crisis. And we have made very little progress in curbing the growth of world population.

The main message of the World Commission was that environment and development are closely interlinked. We will not manage to reverse global ecological degradation unless we attach its underlying causes. Poverty remains a main cause both of pollution and of resource depletion. To reverse the escalating threats to our future, we need to stage a committed, full-scale attack against world poverty and underdevelopment.

No other body is better suited to help us develop such an approach than the United Nations. It was the General Assembly of the United Nations that established the World Commission and that gave us the mandate to formulate "a global agenda of change". It was to the United Nations that we presented our report, and the endorsement of the UN to our call for sustainable development has added weight and legitimacy to our recommendations, both at the international and global levels.

The 1980s was the decade when awareness of the threats to our environment became truly global. At the same time, we experienced a rapid globalization of the world economy.

As these processes gather momentum, the United Nations will become even more important to help us meet the challenges of the next century. At the start of the 1990s, we have seen new evidence how indispensable the United Nations can be when the major powers meet at the negotiating table in a spirit of co-operation rather than in an atmosphere of confrontation.

" The United Nations will become more important in helping us meet the challenges of the next century".

We now need to broaden the new era of co-operation in East/West relations into the more global problems facing us. We must intensify our efforts to create sustainable development worldwide. In the preparations for the 1992 World Conference for Environment and Development in Brazil, we must negotiate an effective world climate convention, we must make progress in global efforts to preserve biological diversity, and we must agree on a strengthening of our international mechanisms to ensure more effective international action to reverse the global ecological degradation now going on.

In our work to achieve sustainable development, the United Nations Development Programme will continue to play a pivotal role. Within the United Nations system, it will be a key instrument to translate our strategies and plans of action into operational reality. In a world society which is often fragmented, and within a structure for international co-operation which often reflects this fragmentation, the UNDP provides linkages and overview. In the years to come, this will be an indispensable part of our efforts to reverse the ecological degradation which now threaten our soil, our waters and our atmosphere.

New hope is being generated about the future of the United Nations. We need it more than ever to help us maintain international peace and security and to tackle the new threats to our security caused by ecological degradation, world poverty and injustice. Let the 45th Anniversary of the signing of the UN Charter and the 40th Anniversary of the UNDP be an occasion to remind ourselves of the importance of strengthening the UN. Without a strong UN, there would be less hope to save Our Common Future.

MAURICE F. STRONG
Secretary-General, UN Conference on Environment and Development

Sustainable Development: The Decade of Transition

The transition to sustainable development called for by the World Commission on Environment and Development requires much more than a change in the mode and style of development. It signals the need for a fundamental transformation of the development process at every level from the behaviour of individuals to international economic relations. Sustainable development is not an option; it is an imperative — for the survival of our planet as a secure and hospitable home for human and other forms of life and for the fulfillment of the hopes and aspirations of people everywhere, particularly in the developing world, for a better life.

It is still not too late to make this transition, but time is running out. The decisive point will come in June 1992 when the nations of the world gather in Rio de Janeiro, Brazil, for the United Nations Conference on Environment and Development. Here, after more than two years of careful and intensive preparation, they will be called upon to take the decisions which will set the course for the world community in the remainder of the decade and determine the prospects for the 21st century. It will be the most important conference of our times, perhaps of all time.

Our prospects for both environmental security and successful development depend on our capacity to integrate environmental and developmental considerations fully into our economic life. Developing countries must become full partners in this process. This will only be feasible if they are also able to participate fully and equitably in its benefits.

In setting the world community on the pathway to sustainable development, ECO'92 must lend new impetus and support for the economic and social development of the third world and for a concerted attack on the vicious circle of poverty and environmental destruction in which so many millions of its people are caught. This will require agreement on measures to ensure access by developing countries to the new and additional financial resources and the technologies they will require to integrate the environmental dimension into their own development policies and programmes.

The most urgent and critical need of most developing countries is for development of their human resources — the professional, managerial and technical skills of the people and the capacities of their institutions to deal with the broad and complex range of issues on which sustainable development depends. These skills and capacities are the indispensable key to their development future; they are also essential to their full and effective participation in international environmental co-operation.

"Sustainable development is not an option. It is an imperative".

Human development is, after all, the foundation on which all development depends. It is also the principal business of UNDP. The vast experience of UNDP and its presence in all developing countries as an active partner in their development give it a unique role in supporting the strengthening of the human and institutional capacities they require to effect the transition to sustainable development. UNDP's initiative in establishing the Sustainable Development Network provides the basis for this. One of the most important tasks of the 1992 Conference is to provide new impetus to and support for this process. For in the final analysis human resources are the key to the human future.

CHRISTOPHER PATTEN
Environment Secretary, United Kingdom

Global Poverty and the Global Environment

The past few years have seen a huge growth in concern about global environmental issues such as climate change, depletion of the ozone layer, destruction of tropical forests and the alarming rate of loss of the world's species. Because we are all interdependent it is not enough for only a few countries to take action to protect our environment. We must all play our part.

However, developing countries face many immediate calls on their limited resources. They need to alleviate poverty by raising living standards, producing more food, providing better health care, extending and improving education. They also face the most acute environmental problems. Rapidly growing populations are putting pressures on rural areas and towns. Villages are threatened by soil erosion and drought. Burgeoning cities are generating increasing pollution of air and water. And it is the world's poorest countries which may face the greatest hardships from the effects of global warming. Poverty feeds environmental degradation and a declining resource base in turn makes economic and structural development more difficult. The need to reconcile poverty alleviation with environmental protection is one of the most critical challenges facing the world.

The only way out of the downward spiral of poverty and environmental degradation is sustainable development. This means striking a balance between the use and replacement of resources. Where resources cannot be easily renewed, such as tropical hardwood trees which take many years to grow, alternatives should be developed. However sustainable development is a great deal more difficult than it sounds. Measures to improve the environment can have some adverse short term consequences. For example, poor people may be prevented from cutting down trees but have no other sources of fuel or land for growing crops. The issue is complex but we must ensure that measures to improve the environment do not result in poor people being worse off.

Population growth exacerbates environmental and developmental problems. The world's population is expected to increase by about 1 billion by the end of the century. That means some 250,000 more people to feed and clothe every day. Poverty and population pressures are increasing faster than people's ability to adapt systems of production, and the result is a huge call on the world's stock of environmental resources. We cannot escape the need to reduce the rate of population growth. As well as meeting the demand for family planning we must improve children's chances of survival. It is by providing mothers with literacy, education, employment opportunities and child health care programmes that we can offer alternatives to numerous births as a way of ensuring security in old age.

"Poverty is the most lethal form of pollution".

Another key element is strengthening the institutional and professional capacity of developing countries to make wise use of their resources. Training and technical co-operation are important, but the prestige of environmental agencies must be raised in developing countries to ensure that environmental considerations are taken into account in policies for national economic development. Environmentalists must be trained to speak the language of economists. Local people, whose livelihoods can be destroyed by environmental degradation, must be provided with information and encouraged to participate in decision-making.

International co-operation is not a matter of the developed world hawking its conscience around and preaching environmental morality to developing countries. It is unacceptable for industrialized countries to suggest that now we have become wealthy through exploiting the world's natural resources we will pull up the ladder behind us and deny economic development to others. Poverty is the most lethal form of pollution and raising living standards through economic development must be the first priority. We need faith and imagination to find effective solutions which will reconcile the need to alleviate poverty and the need to protect the environment.

JULIUS K. NYERERE
Former President of Tanzania

The Imperative of Co-operation

The history of mankind is of slow, gradual, and somewhat painful movement towards larger and larger organized societies.

The movement has been slow because social life restricts individual freedom at the same time as it extends it, and because the size of any organization is inhibited by the current technology of transport, communications and organizational ability. And it has been painful because until recently political unification and even advanced economic integration was mostly achieved through force of arms and was sometimes reversed as the military balance changed.

The experience of two devastating world wars and the development of nuclear weapons made war between the major power blocks too threatening and destructive to be a realistic method of expansionism for either. Yet simultaneously, an explosion of new technology made economic co-operation an imperative for national strength. Throughout the world, therefore, the last thirty years have been marked by innumerable attempts of groups of nations to organize themselves for effective co-operation. And as economic, political, and social questions cannot be separated, economic associations have developed into political groupings, political associations into economic groupings, and so on.

It has been the already economically developed countries which have had greatest success in organizing co-operation among themselves. The United States of America had already become the most powerful economy in the world on the basis of its size and structure; despite this it has recently entered into a Free Trade Agreement with Canada. The European Community — still in theory an entirely economic association — moves by 1992 into a single economic unit. COMECON has gone into flux, largely because it appeared to many of its members to be both an imposed and unequal treaty; but it is already clear that at least its European member-nations envisage new forms of economic association in the future, either in the same grouping or by participation in another group.

Indeed, it now appears highly likely that, during the 1990s, the developed countries of the North will increasingly become part of one active and assertive economic unit when international negotiations include the countries of the South.

In the South, there are a very large number of Regional and Sub-Regional economic associations. All of them are young, most are starved of resources, and only a few are clearly effective or give evidence of vigorous growth. At the global level the South's major association—the Non-Aligned Movement—always

"Economic co-operation among the countries of the South is vital to their survival".

envisaged South-South economic co-operation, but has been more successful in pursuing its primary political purposes. The Group of 77 does a useful job, but has limited purposes and is too loosely organized for full effectiveness.

Economic co-operation among the countries of the South is, however, absolutely vital to their survival. Without it they will lose that little power of independent decision making which they now possess; they will become like unrepresented subsidiaries of transnational corporations based in the North. With co-operation they can increase their national development potential, and simultaneously strengthen themselves as a group in international negotiations.

But for this to occur, the countries of the South have to take deliberate political decisions to give high priority to South-South co-operation, and pay for it, in order to make it possible. They have to organize themselves together in an effective manner despite their understandable reluctance to contribute any job of their national sovereignty into a common pool. Furthermore, their co-operation has to be organized on the basis of voluntary agreements which balance sacrifices and benefits fairly and with some consideration for the comparative strengths of the participating members.

Collective Self Reliance is essential to the future betterment of the peoples of the South.

SABURO OKITA
President,
International
University, Japan

Japan's Lessons for Third World Development

Japan is neither an ideal model case, nor an irrelevant distraction for today's developing countries. The truth lies somewhere in between. Japan's postwar rise from a developing country to industrial country offers important lessons; but the lessons of history can be misleading, or even counterproductive if taken out of context.

Japan's development was based partly on traditional factors indigenous to the country — and partly on the prevailing economic situation of the time. But government planning based on market economic assumptions was also significant. This looked ahead to the long-term needs and sought to avoid making judgments on the basis of the short-term situation — a tendency that plagues so much policy planning and corporate management.

Government planning tried to serve as part forecast and part guideline — to enable people to focus on the long-term outlook. It reaffirmed the government's long-term intentions in such areas as public works and tax policy and, by reducing the private sector's uncertainties, stimulated a surge of economic activity. Planning also served as a forum for reconciling divergent interests and forging a national consensus on economic priorities.

The government's economic role can only be complementary and indirect — encouraging industry towards set goals. But the promotion of science and technology and the development of human resources are also indispensable to economic development. And when it came to education and scientific research, Japanese planners felt that the government itself could play an important role. It is essential to recognize that education and economic planning are like two circles, which, while not concentric, do overlap to a considerable degree — especially if the pace of technological innovation picks up and the industrial structure is transformed.

The earth's natural resources are finite; environmental constraints impose their own limitations. Human resources, however, can be enhanced — by building upon mankind's accumulated wisdom and knowledge. Many of the difficulties facing the developing countries can be attributed at least in part to the fact that their human resources are still in an undeveloped state. Some of these countries are trapped in a vicious spiral of population increase, poverty, environmental destruction and the depletion of natural resources. They thus face food shortages and deteriorating health and nutrition. Food is the fuel the body needs to run on. It is impossible for a person to be fully productive and creative without a sustained and adequate supply of the right kind of fuel.

"People are the ultimate resource."

People are the ultimate resource. So human resources development must be central to, and underlie, any development programme. The question is therefore: how can we develop these resources and integrate them as a vital element in the economy? The answer will depend very much on each society's needs — and that will require careful consideration both of the present situation and of the historical currents.

We all want to promote international co-operation and to advance science and technology. But only people can do this. That is why, on the occasion of UNDP's 40th anniversary, I would like to stress again the importance of human resource development for our planet and our people — all people, everywhere.

LISBET PALME
Chairperson, UNICEF
Board

The Future of Our Children - The Future of Humankind

Human development starts with the world's children - humankind's bridge over generations, the link between the present and the future.

As we enter into the 1990s, we must recognize the current plight of our children:

- child and maternal mortality rates continue to be high;
- poverty threatens the lives of more than a billion people;
- war forces men, women and children into armed conflicts;
- environmental degradation compels millions to overexploit soils, vegetation and water resources;
- malnutrition stunts the growth and development of millions of children, reducing their ability to learn, limiting their productive capacity and transfering poverty and underdevelopment from one generation to the next;
- illiteracy and lack of educational opportunities hinders hundreds of millions of children, their mothers and fathers from full participation in development;
- psychological trauma and abuse causes despair and low self-respect for the millions of children who are victims of political conflict, civil strife and apartheid - the seeds of social unrest for generations to come.

The knowledge of how to ameliorate this situation is available. The strategies to be pursued are affordable. But there is not enough compassion to change the plight of the poor and to give an impetus to human development — the development of our children and the future generations to come.

Statistics show that several countries have taken deliberate action to build up a safety net for their children. They have expanded mother and child health care, education, and the provision of clean water and sanitation — often inspite of the difficult economic conditions many countries have been facing. This teaches one important lesson: If we do make a commitment to peace and if we do agree to use our resources for constructive purposes, we can build a better future for humankind. The first development priority must be to let our children have the first call on our resources.

The United Nations Convention on the Rights of the Child - ratified in September 1990 at the World Summit For Children — is an important step towards strengthening global commitment to the development of our children.

The Convention gives us a standard by which to assess progress and the need for further action. Our leaders must ask themselves, as well as each other the relevant questions:

"The first developmental priority must be to let our children have the first call on our resources".

- How many children are born and how many survive?
- Are the children well-nourished?
- How many children attend school and what do they learn?
- How are the children's mothers before and during pregnancy and what kind of help does a mother-to-be have before and during childbirth?
- Which knowledge does the mother and the father have about health, nutrition and sanitation?
- How do the parents cope as providers for their family?
- What kind of infrastructure and social services are available to them?
- Which responsibility does the *father*, as well as the mother, take in family planning and in creating a supportive environment for his children?

These questions cannot be adequately answered by GNP figures. We need improved social statistics — up-to-date, comprehensive and reliable data on health, education, nutrition and other social dimensions of development. Only if we have such data will it be possible for us to systematically plan for letting the Convention on the Rights of the Child become developmental reality.

We must challenge the paradigm that war and violence will bring us development. Development must focus on vital priorities.

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